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TO: IMMEDIATE DIRECTOR.

1. REF MATTER DISCUSSED WITH CHARGE THOMPSON ON 30 JANUARY. THOMPSON OF OPINION THAT IT WOULD BE BEST TO AWAIT ARRIVAL OF AMBASSADOR POPPER BEFORE MAKING DECISION. SINCE FUNDING APPROVAL WOULD BE FIRST FUNDING TO PDC SINCE COUP, HE CONSIDERS IT A "WATERSHED" DECISION AND ONE MORE APPROPRIATE FOR THE AMBASSADOR TO MAKE. FOR SAME REASON, HE ALSO FEELS DECISION WILL SET A PRECEDENT AND TEND TO RESTRICT THE AMBASSADOR'S FREEDOM OF ACTION IN HANDLING ANY FUTURE REQUESTS. THOMPSON SEES 11 SEPTEMBER AS CLEAR DIVIDING LINE WHICH PROVIDES MUCH MORE SOLID GROUND UPON WHICH CUT-OFF PDC SUBSIDIES THAN IF IT WERE ATTEMPTED AT FUTURE DATE AFTER ALREADY HAVING SUPPLIED POST-COUP ASSISTANCE TO PDC. ANOTHER CONCERN HE MENTIONED IS THAT PDC EVENTUALLY MAY ASSUME OPPOSITION POSTURE TOWARDS PRESENT GOVT.

2. STATION BRIEFED THOMPSON ON INCREASINGLY DIFFICULT

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July 2000

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FINANCIAL SITUATION OF PDC AND THE ORGANIZATIONAL AND MATERIAL
RETRENCHMENT THE PARTY HAS BEEN MAKING DURING LAST MONTHS.
HE CONSIDERS THAT SUCH STEPS WILL CONTINUE TO BE NECESSARY
EVEN IF WE SUPPLY ONE TIME FUNDING, AND THEREFORE THAT
DELAY SHOULD NOT CAUSE ORGANIZATIONAL DAMAGE TO PDC OR
FURTHER RETRENCHMENT ABOVE WHAT WILL BE EVENTUALLY NECESSARY.

3. IN VIEW OF CONSIDERATIONS RAISED BY THOMPSON, THEREFORE,
WE AGREE THAT IT BEST THAT AMBASSADOR POPPER HAVE OPPORTUNITY
TO LOOK INTO SITUATION HIMSELF SO THAT HE WILL BE A FULL
PARTICIPANT IN ANY DECISION MADE.

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